



State Spending on the Standards of Quality (SOQ): FY 2011

December 12, 2011

BACKGROUND

JLARC is required by law to report annually on the funding the state provides each locality for an educational program that meets the Standards of Quality (SOQ). The standards include minimum resource requirements, such as ratios of teachers to students, for elementary and secondary schools. The Board of Education determines the standards, which are subject to revision by the General Assembly.

The cost of meeting the SOQ is apportioned between the state and local governments using a formula. In aggregate for all localities, the state provides 55 percent of the costs (after deducting sales tax and other items), in addition to certain sales tax funds. The state contributes more for localities with relatively lower local ability to pay as measured through the "composite index." The index compares a given locality's tax base, population, and number of public school students to the same measures for all localities collectively.

HIGHLIGHTS

- The state's share of SOQ funding was about \$4.75 billion in FY 2011, which equated to approximately \$3,933 in state funds, on average, per pupil.
- Of that \$4.75 billion, the majority (\$2.75 billion, or 58%) came from the basic aid account, which helps school divisions offer a basic education program. The second largest portion (\$1.12 billion, or 24%) came from the state sales tax.
- State SOQ funding per pupil provided to each locality varied widely. Lee County, with a low local ability to pay, received \$6,573 in state SOQ funds per pupil. Alexandria, with a high local ability to pay, received \$2,053 per pupil in state SOQ funds.